



Brownfields Cleanup Revolving Loan Fund Pilot

Baltimore, MD

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

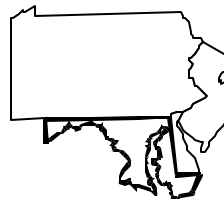
BACKGROUND

Baltimore was built upon the strength of its port and its traditional manufacturing industry. However, between 1970 and 1990, Baltimore lost more than 50 percent of its manufacturing jobs. Old manufacturing facilities and properties were left behind. The Baltimore City Department of Planning estimates that 1,000 acres of industrially zoned land are either vacant or underused. For many of these sites, revitalization is blocked by environmental contamination, and Baltimore continues to have difficulty in finding funds for the pre-development costs of site cleanup. Without the revolving loan fund, the land will remain vacant and underutilized.

BCRLF OBJECTIVES

With the BCRLF Pilot, the city will continue to focus its brownfields efforts on the federally-designated Empowerment Zone (EZ) and other distressed areas of the city (e.g., southeast Baltimore), although loans will be available to fund cleanup on properties anywhere in the city. The main goal of the Baltimore BCRLF Pilot is to fund cleanup of at least two properties with potential or perceived environmental contamination and return the land to productive use.

PILOT SNAPSHOT



Baltimore, Maryland

Date of Award:
September 1997

Amount: \$350,000

BCRLF Target Area :
Economically distressed areas
of Baltimore.

Contacts:

Baltimore City Department
of Planning
(410) 396-8356

Regional Brownfields Team
U.S. EPA - Region 3
(215) 814-3129

Visit the EPA Region 3 Brownfields web site at:
<http://www.epa.gov/reg3hwmd/brownfld/hmpage1.htm>

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:
<http://www.epa.gov/brownfields/>

By funding the cleanup of brownfields, the Pilot aims to: increase job opportunities for lower-income populations; stimulate economic growth; remove long-standing potential threats to public health and the environment; revitalize affected communities; promote environmental protection; increase city tax revenues; and work toward more efficient land use patterns.

FUND STRUCTURE AND OPERATIONS

The city plans to finance cleanup for up to four sites, depending on the cost of the individual sites, during the initial round of loans. Generally, the terms of the loan will include a four-percent to seven-percent interest rate, and a relatively short payback period of 18 to 36 months. The types of borrowers expected to benefit from BCRLF Pilot financing are those property owners and developers who are planning projects on brownfields sites in Baltimore, and who face environmental cleanup obstacles to redevelopment. Baseline eligibility for borrowing from the BCRLF will include: acceptance into the Maryland Voluntary Cleanup Program (VCP); presentation of a financial plan demonstrating the borrower's ability to repay the loan, including sufficient collateral; and a history, on the part of the developer, of responsible development that takes the surrounding community into account.

The Baltimore City Department of Planning (BCP) will act as the Lead Agency to ensure that all activities are carried out in accordance with the program guidelines and the cooperative agreement. The Baltimore Development Corporation (BDC) will serve as Fund Manager to underwrite, close, and administer the loan funds. Maryland Department of the Environment (MDE) will provide regulatory oversight of cleanup through its VCP.

Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.
